



PRESS RELEASE

**SOGEFI (CIR GROUP) OPENS TWO NEW PLANTS IN SHANGHAI
REVENUE TARGET IN CHINA: OVER \$100 MLN IN 2017 (FROM AN EXPECTED \$30 MLN IN
2013)**

*Inauguration of two factories producing suspension components and engine systems
to serve some of the most important car manufacturers present in the Chinese market.
The initiative is part of Sogefi's growth strategy in emerging countries*

Wujiang, Shanghai, China, January 16, 2014 – Sogefi, the car components company of the CIR group, has **today officially started up two new industrial sites**, producing suspension components and engine system components respectively, in **Wujiang, in the Shanghai area of China**. At the inauguration of the two plants were present for the **local authorities the Governor of Wujiang District, Shen Guofang, and the Vice Secretary of CPC Wujiang Committee, Sheng Hongming**, together with the **Chairman of the CIR group and of Sogefi, Rodolfo De Benedetti, and the Chief Executive of Sogefi, Guglielmo Fiocchi**.

The two plants are located a short distance apart in the area of economic and technological development of Wujiang. The first plant, which extends over an area of more than 15 thousand square metres, is dedicated mainly for the development and production of suspension components for motor vehicles (tubular and solid stabilizer bars at the beginning) and will in the initial stages service mainly BMW, Daimler, FIAT/Chrysler, Ford, and PSA through their local partnerships.

The Engine Systems Plant is designed for Air and Cooling Systems (at present a total of two major product lines - Air Intake Manifolds and Water Outlets - with more product lines to be added in the future), extends over 11 thousand square metres and will initially be serving Daimler, SGM/SAIC, Ford and Jiangling Motors (JMC).

When fully up and running the two plants will employ more than **500 people**. The **investment** in the two factories will amount to approximately **\$ 40 million**. The close vicinity of the two plants will ensure synergy of all the support functions.

China is the largest car market in the world with 17.9 million registrations in 2013, with double digit growth (+15,7%) on 2012. **Sogefi's objective is to be one of the main producers of suspension components and engine systems in the country, reaching revenues in China of over \$ 100 million in 2017, compared to the approximately \$ 30 million forecast for 2013. The estimated average annual growth rate (CAGR) is over 30%.**

*"The new investments in both areas of Sogefi's activity – said **Rodolfo De Benedetti, chairman of the CIR group and of Sogefi** – will enable the company to grow more rapidly in China and achieve a leading position, with our own technologies and our own people, in one of the most important car markets in the world. With those investments Sogefi confirms its role as an Italian manufacturer of international importance and with an increasing global footprint, which is now essential in the car sector".*

*“This initiative – commented **Guglielmo Fiocchi, chief executive of Sogefi** – is part of the company’s strategy of accompanying its historical presence in Europe with greater expansion in emerging markets. In the last few years we have grown considerably in North and South America. Our objective now is to replicate this in Asia and particularly in China. We are convinced that the quality of our products and our technologies can guarantee us a competitive advantage in these markets too”.*

Sogefi

Sogefi (CIR group), founded in 1980 and listed on the Milan Stock Exchange, is a company which operates in the automotive components sector in two business areas in which it is a world leader: the development and production of flexible suspension components and systems for managing, filtering and cooling engine fluids. Present in 21 countries with 43 production plants and 18 commercial offices, Sogefi is partner to the most important vehicle construction companies worldwide. The group is a leader in Europe and South America in its core businesses, operating in the original equipment market and the OE and independent aftermarket. Thanks to its commitment to research, Sogefi has been continually improving the technological development of its parts, optimizing their performance in terms of life cycle, effectiveness, size, weight and compatibility with the environment. In 2012 the Sogefi group reported revenues of approximately 1.3 billion euro. For information visit the website www.sogefigroup.com.

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This press release can also be consulted on the following website: <http://www.sogefigroup.com/it/area-stampa/index.html>